



NEWS

Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-5322

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE:
December 9, 2005

NEWS MEDIA CONTACT:
Mark Wigfield, 202-418-0253
Email: mark.wigfield@fcc.gov

COMMISSION SEEKS COMMENT ON UNIVERSAL SERVICE SUPPORT MECHANISMS FOR NON-RURAL CARRIERS

FCC Also Seeks Comment on Steps to Increase Telephone Subscribership in Puerto Rico

Washington, D.C. – The Federal Communications Commission is seeking comment on a number of issues remanded by a federal appeals court earlier this year regarding the mechanism for distributing universal service support for non-rural carriers serving high-cost areas.

In a Notice of Proposed Rulemaking adopted today, the Commission seeks comment on how to reasonably define the statutory terms “sufficient” and “reasonably comparable” in light of holdings by the U.S. Court of Appeals for the Tenth Circuit in *Qwest Corp. v. FCC*. The court directed the Commission on remand to articulate a definition of “sufficient” that appropriately considers the range of principles in section 254(b) of the Communications Act of 1934, as amended – including affordability – and to define “reasonably comparable” in a manner that comports with the Commission’s statutory duty to preserve and advance universal service.

The court also invalidated the high-cost support mechanism for non-rural carriers. The Commission is seeking comment on the appropriate design for a new mechanism, including whether to use a rate-based rather than a cost-based approach.

Finally, the Commission seeks comment on a tentative conclusion that it should establish a new interim support mechanism for non-rural insular areas as requested by Puerto Rico Telephone Company. Because of the unique challenges of providing telephone service in Puerto Rico, the Commission believes that a special support mechanism, in combination with the Commission’s low-income program, could help combat the problem of low subscribership in Puerto Rico.

Action by the Commission, Dec. 9, 2005, by Notice of Proposed Rulemaking (FCC 05-205). Chairman Martin, Commissioners Abernathy, Copps and Adelstein, with Commissioner Abernathy issuing a separate statement.

WC Docket No. 05-337

Wireline Competition Bureau Staff Contact: Ted Burmeister at 202-418-7389;
theodore.burmeister@fcc.gov

-FCC-

News about the Federal Communications Commission can also be found
on the Commission’s web site www.fcc.gov.